



NEWS & VIEWS



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<http://www.sba.gov/wi>
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SBA News and Views is a monthly publication of the SBA Wisconsin District Office. Its purpose is to provide Wisconsin lenders and small business leaders with up-to-date information on SBA programs and small business issues. It is distributed at no cost, and the reprinting of articles is encouraged.

FROM DESK OF THE DISTRICT DIRECTOR

Small businesses in Wisconsin received 1,046 loan guarantees totaling \$242,582,000 in financing backed by the U.S. Small Business Administration during fiscal year 2001 that ended September 30, 2001. This amounts to an overall 14 percent increase in loan volume and an overall 17 percent increase in the dollar amount. Our biggest increases were in the 7(a) loan program with a total of 879 loans for \$184 million which reflects a 15 percent increase in loan volume and 23 percent increase in loan dollars.

There were 115 CDC loans for \$57 million and 52 Micro Loans for \$582,000. We also had 685 disaster loans totaling \$21 million.

The 332 members of the Service Corps of Retired Executives (SCORE) volunteered 15,750 hours assisting 843 small business owners and 3,243 individuals in the process of starting their own businesses. They also conducted 149 small business workshops attended by 2,082 people.

The SBA funded Small Business Development Centers (SBDC's) at 12 of the University of Wisconsin

campuses assisted 1,467 individuals and conducted 466 seminars attended by 7,269 people.

SBA's loan portfolio in Wisconsin is 4,820 active loan guarantees worth \$746 million as of September 30, 2001.

We want to thank all our resource partners in Wisconsin for helping us to achieve these impressive figures and look forward to working with all of you in the coming year.

NATIONAL FY 2001 STATISTICS

In FY 2001, which ended September 30, 2001, the SBA approved a combined total of 50,485 small business loans amounting to almost \$12.2 billion, including:

- 42,957 loan guaranties amounting to \$9.89 billion in the 7(a) General Business Loan Guaranty program.
- A record 5,213 loans worth more than \$2.26 billion under the Certified Development Company (CDC) loan program, and
- A record 2,315 loans worth almost \$30 million under the Microloan program.

Almost 29 percent of all SBA loan dollars in FY 2001 went to minority borrowers – almost \$3.5 billion to more than 13,000 minority-owned businesses. SBA also approved a record \$2 billion in loans to small businesses owned by women.

SBA's Disaster Assistance loan program made 48,852 disaster recovery loans nationwide, amounting to about \$1 billion in FY 2001.

SBA's Small Business Investment Company (SBIC) program, the Agency's premier vehicle for providing venture capital to small, growing companies, provided \$4.45 billion in 4,277 debt and equity investments in small businesses during the year. Slightly more than a quarter of the American businesses that got institutional venture capital last year received it through this program. During the year, SBA licensed 51 new SBIC's with \$1.1 billion in combined private capital. At the end of the year, the program had 428 licensees with total committed capital resources amounting to almost \$15.5 billion.

In other SBA program areas, an estimated 1.34 million entrepreneurs received business counseling and technical assistance through one or more of the agency's advisory programs:

- 620,000 people received technical assistance through the Small Business Development Center programs;
- 394,500 people received assistance from the volunteers of the Service Corps of Retired Executives (SCORE);
- 142,820 people got help at an SBA Business Information Center or Tribal Business Information Center;
- 79,800 people got help at an SBA One Stop Capital Shop, and
- 50,000 people got help from a SBA Women's Business Center.

SBA's Internet, e-mail and toll-free telephone service also reached millions of customers during the year. The Web site recorded more than 60 million visits, and reached an average level of 1.1 million visits a week, with the highest point at 1.6 million visits during one week in September. The SBA Answer Desk received almost 209,919 calls and 16,256 e-mail inquiries, and sent out 43,506 small business start-up kits.

NEW STATEWIDE PREFERRED LENDER RECOGNIZED



L to R – Dave Provancher and Paul Mayhew of M&I Bank; Eric Ness, of the Small Business Administration

On Monday, November 5, 2001, M&I Marshall & Ilsley Bank was honored by the Small Business Administration (SBA) for attaining Preferred Lender status throughout Wisconsin.

The most active and expert lenders qualify for SBA's streamlined lending

programs. Preferred lenders are chosen from among the SBA's best lenders and enjoy full delegation of lending authority.

M&I Bank customers throughout the entire state will benefit from this certification.

CONTRATULATIONS M&I!

IT'S A SMALL, SMALL WORLD

Wisconsin is becoming a big player in the international marketplace. In the year 2000, exports from the Badger State hit a record of \$10.5 billion to foreign customers despite strong U.S. dollar making domestic exports more expensive.

The Small Business Administration (SBA) provides a range of assistance to Wisconsin's exporters. In addition to our regular 7(a) loan program, the International Trade Loan program is designed to assist small businesses that are engaged or are preparing to engage in international trade as well as businesses that have been adversely affected by competition from imports.

Under the International Trade Loan program, SBA can guarantee up to \$1.25 million (\$1 million for fixed assets plus working capital not exceeding \$750,000, the total not to exceed this maximum) to businesses that show the loan proceeds will be used to significantly expand existing export markets or develop new export markets.

Loan proceeds may be used for facilities or equipment and may extend up to the 25-year maximum.

The Export Working Capital program provides short-term transactions-specific financing. SBA will guarantee up to \$1.0 million or 90 percent of the loan amount, whichever is less. Exporters may use the program for pre-export financing of labor and materials. Financing receivables generated by the export sale, and/or standby let-

ters of credit used as performance bonds or payment guarantees to foreign buyers.

For more information on these programs, as well as additional resources available to assist exporters, visit www.sba.gov/oit or call Tom Rooney at (608) 441-5511 or International Trade Specialist John Nevell at (312) 353-8065.

COLSON SERVICES CORPORATION

Please be advised that as of November 5, 2001, Colson Services Corporation were back in their Manhattan office location. The following information is being provided for your convenience. For further information regarding Colson Services Corporation, please check their web-site at www.colsonservices.com.

Colson Services Corporation

- **Main Address (all overnight mail):** 120 Broadway-19th Floor, New York, NY 10271
- **Mailing Address (all correspondence):** P.O. Box 54, Bowling Green Station, New York, NY 10274
- **Main Number:** (212) 266-7800
- **Main Email:** info@colsonservices.com.

Customer Service-(7(a) Unsold Loans)

Toll Free General Number:

(877) 245-6159

Fax Number for Correspondence:

(212) 406-0114

(212) 406-0136

SBA Form 1502 Submissions Fax Number:

(212) 266-7916

SBA Form 1502 Submissions Email:

1502@colsonservices.com

SBA District Liaison Representative:

Contact Number: (212) 266-7816

Fax Number: (212) 266-7884

- **Regional Representative for SBA Form 1502 Reporting for Unsold Loans –** (212) 266-0648

Customer Service (7(a) Sold Loans)

General Number (212) 266-7828
 Fax Number of all Correspondence
 (212) 266-7989
 SBA Form 1502 Submissions Fax
 Number (212) 266-7916
 SBA Form 1502 Submissions Email
1502@colsonservices.com
 SBA 7(a) Secondary Market Loan
 Payoff Number (212) 266-7845
 SBA 7(a) Pools General Contact
 Number (212) 266-7849
 SBA 7(a) Pools Fax Number
 (212) 266-7974
 SBA District Liaison Representative
 Contact Number: (212) 266-7816
 Fax Number: (212) 266-7884

**Regional Representatives for SBA
 Form 1502 Reporting for Sold
 Loans (212) 266-7830**

**Customer Service-SBA 503/504
 Loans:**

Toll Free General Number
 (800) 225-4285
 Fax Number for All Correspondence
 (212) 266-7891
 Email:
504Department@colsonservices.com

***DEVELOPING YOUR
 BUSINESS PLAN***

One of the most important early steps in starting a small business is to develop a business plan. Not only does it provide a blueprint for operations, but it makes you stop and think about exactly what you want to do, and how you plan to do it.

The following outline of a typical business plan can serve as a guide. You can adapt it to your specific business. Breaking down the plan into several components helps make drafting it a more manageable task. In-depth help on developing a sound business plan can be found on the SBA web site in the section on starting a business.

Introduction

- Give a detailed description of the business and its goals.

- Discuss the ownership of the business and the legal structure.
- List the skills and experience you bring to the business.
- Discuss the advantages you and your business have over your competitors.

Marketing

- Discuss the products/services offered.
- Identify the customer demand for your product/service.
- Identify your market, its size and locations.
- Explain how your product/service will be advertised and marketed.
- Explain the pricing strategy.

Financial Management

- Explain your source and the amount of initial equity capital.
- Develop a monthly operating budget for the first year.
- Develop an expected return on investment and monthly cash flow for the first year.
- Provide projected income statements and balance sheets for a two-year period.
- Discuss your break-even point.
- Explain your personal balance sheet and method of compensation.
- Discuss who will maintain your accounting records and how they will be kept.
- Provide "what if" statements that address alternative approaches to any problem that may develop.

Operations

- Explain how the business will be managed on a day-to-day basis.
- Discuss hiring and personnel procedures.
- Discuss insurance, lease or rent agreements, and issues pertinent to your business.
- Account for the equipment necessary to produce your products or services.
- Account for production and delivery of products and services.

Concluding Statement

- Summarize your business goals and objectives and express your commitment to the success of your business.

Once you have completed your business plan, review it with a friend or business associate or a Service Corps of Retired Executives (SCORE) or Small Business Development Center (SBDC) counselor. (See SCORE and SBDC listings on the SBA Web site.)

When you feel comfortable with the content and structure, make an appointment and discuss it with your lender. The business plan is a flexible document that should change as your business grows.

***ECONOMIC INJURY
 DISASTER LOAN
 REMINDER***

The Small Business Administration (SBA) has widened its access to Economic Injury Disaster Loans (EIDLs) to small businesses across the country.

Applicants may apply for a loan of up to \$1.5 million if they have suffered substantial economic injury in the aftermath of the September 11, 2001 terrorist attacks. These working capital loans may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred. The interest rate on these loans is 4%, with a maximum term of 30 years. The application deadline is January 21, 2002.

Wisconsin businesses interested in applying for an EIDL may contact the disaster office in Atlanta, GA at 1-800-359-2227. For more information on the program, contact the Wisconsin SBA Madison office at 608-441-5263 or the Wisconsin SBA Milwaukee office at 414-297-3941.

A NEW CLP LENDER



L to R-Peoples State Bank personnel, William Sennholz; Keith Baars; Stephen Meinel & Kenneth Feldman

Peoples State Bank in Wausau, Wisconsin was honored on Tuesday, November 13, 2001 by the U.S. Small Business Administration for attaining Certified Lender status.

Certified lenders are those who have been heavily involved in regular SBA loan-guaranty processing and have met certain other criteria. They receive a partial delegation of authority and are given a three-day turnaround by the SBA on their applications (they may also use regular SBA loan processing).

**CONTRATULATIONS
PEOPLE'S STATE BANK!**

WISCONSIN CALENDAR OF EVENTS

Only SBA sponsored events are endorsed by the Agency. Other events are merely provided as a resource.

THE THANKSGIVING STORY

The Pilgrims who sailed to this country aboard the *Mayflower* were originally members of the English Separatist Church (a Puritan sect). They had earlier fled their home in England and sailed to Holland (The Netherlands) to escape religious persecution. There, they enjoyed more religious tolerance, but they eventually became disenchanted with the Dutch way of life,

thinking it ungodly. Seeking a better life, the Separatists negotiated with a London stock company to finance a pilgrimage to America. Most of those making the trip were non-Separatists, but hired to protect the company's interests. The Pilgrims set ground at Plymouth Rock on December 11, 1620. Their first winter was devastating. At the beginning of the following fall, they had lost 46 of the original 102 who sailed on the *Mayflower*. But the harvest of 1621 was a bountiful one. And the remaining colonists decided to celebrate with a feast—including 91 Indians who had helped the Pilgrims survive their first year. The feast lasted three days. Governor William Bradford sent "four men fowling" after wild ducks and geese. It is not certain that wild turkey was part of their feast. However, it is certain that they had venison. The term "turkey" was used by the Pilgrims to mean any sort of wild fowl.

Another modern staple at almost every Thanksgiving table is pumpkin pie. But it is unlikely that the first feast included that treat. The supply of flour had been long diminished, so there was no bread or pastries of any kind. However, they did eat boiled pumpkin, and they produced a type of fried bread from their corn crop. There was also no milk, cider, potatoes, or butter. There were no domestic cattle for dairy products, and the newly discovered potato was still considered by many Europeans to be poisonous. But the feast did include fish, berries, watercress, lobster, dried fruit, clams, venison, and plums.

This "thanksgiving" feast was not repeated the following year. But in 1623, during a severe drought, the pilgrims gathered in a prayer service, praying for rain. When a long, steady rain followed the very next day, Governor Bradford proclaimed another day of Thanksgiving, again inviting their Indian friends. It wasn't until June of 1676 that another Day of Thanksgiving was proclaimed.

On June 20, 1676, the governing council of Charlestown, Massachusetts, held a meeting to determine how

best to express thanks for the good fortune that had seen their community securely established. By unanimous vote they instructed Edward Rawson, the clerk, to proclaim June 29 as a day of thanksgiving. It is notable that this thanksgiving celebration probably did not include the Indians, as the celebration was meant partly to be in recognition of the colonists' recent victory over the "heathen natives." October of 1777 marked the first time that all 13 colonies joined in a thanksgiving celebration. It also commemorated the patriotic victory over the British at Saratoga. But it was a one-time affair. George Washington proclaimed a National Day of Thanksgiving in 1789, although some were opposed to it. There was discord among the colonies, many feeling the hardships of a few Pilgrims did not warrant a national holiday. And later, President Thomas Jefferson scoffed at the idea of having a day of thanksgiving.

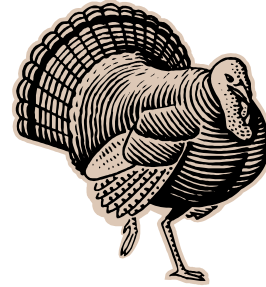
It was Sarah Josepha Hale, a magazine editor, whose efforts eventually led to what we recognize as Thanksgiving. Hale wrote editorials championing her cause in her *Boston Ladies' Magazine*, and later, in *Godey's Lady's Book*. Finally, after a 40-year campaign of writing editorials and letters to governors and presidents, Hale's obsession became a reality when, in 1863, President Lincoln proclaimed the *last* Thursday in November as a national day of Thanksgiving.

Every president proclaimed Thanksgiving after Lincoln. The date was changed a couple of times, most recently by Franklin Roosevelt, who set it up one week to the next-to-last Thursday in order to create a longer Christmas shopping season. Public uproar against this decision caused the president to move Thanksgiving back to its original date two years later. And in 1941, Congress finally sanctioned Thanksgiving as a legal holiday, as the *fourth* Thursday in November.

OCTOBER, 2001 LOAN APPROVALS

9	Associated Bank NA	Green Bay	1,270,500
1	Associated Bank NA	Sheboygan	150,000
1	Associated Bank NA	Portage	150,000
1	Associated Bank NA	Neenah	150,000
1	Associated Bank NA	Beaver Dam	88,000
1	Associated Bank NA	Green Bay	75,000
1	Associated Bank NA	Madison	50,000
15			1,933,500
7	M&I Marshall & Isley Bank	Milwaukee	2,664,000
1	M&I Marshall & Isley Bank	Brookfield	522,268
1	M&I Marshall & Isley Bank	Rhineland	85,000
1	M&I Marshall & Isley Bank	Appleton	54,000
1	M&I Marshall & Isley Bank	Appleton	50,000
1	M&I Marshall & Isley Bank	Wausau	34,348
12			3,409,616
11	Wisconsin Business Development Finance Corp	Madison	6,049,000
7	Community Bank & Trust	Sheboygan	1,018,000
3	First Banking Center	Monroe	180,000
2	First Banking Center	Lake Geneva	291,307
2	First Banking Center	Kenosha	157,500
7			628,807
5	Amcore Bank NA Rockford	Rockford, IL	1,077,950
4	Baylake Bank	Sturgeon Bay	356,500
4	Bank One Wisconsin	Milwaukee	266,800
2	Milwaukee Economic Development Corp	Milwaukee	1,300,0001
2	Signal Bank NA	West St. Paul, MN	679,000
2	Citizens State Bank & Trust	Fort Atkinson	237,000
1	DeForest-Morrisonville Bank	DeForest	363,000
1	State Bank of La Crosse	La Crosse	234,900
1	American National Bank	Appleton	213,000
1	Great Lakes Asset Corporation	Green Bay	211,000
1	Wells Fargo Bank Minnesota NA	Minneapolis, MN	211,000
1	The Park Bank	Madison	207,000
1	McFarland State Bank	McFarland	197,000
1	Wisconsin Community Bank	Cottage Grove	161,500
1	Western Wisconsin Development Corp	Almena	156,000
1	Port Washington State Bank	Port Washington	150,000
1	First National Bank in Manitowoc	Green Bay	126,000
1	Community State Bank	Union Grove	125,000
1	Peoples State Bank	Augusta	101,700

1	River Valley State Bank	Tomahawk	91,000
1	First National Bank-Fox Valley	Neenah	90,000
1	Firststar Bank NA	Cincinnati, OH	75,000
1	Waukesha State Bank	Waukesha	73,000
1	Palos Bank & Trust Co.	Palos Heights, IL	65,000
1	Saint Francis Bank FSB	Milwaukee	60,000
1	Park Bank	Milwaukee	40,000
1	Hiawatha National Bank	Hager City	32,000



Happy Thanksgiving

Fiscal Year 2001 Lender Approvals